Introduced by Committee on Business, Professions and Economic Development (Senators Negrete McLeod (Chair), Aanestad, Calderon, Correa, Florez, Oropeza, Walters, Wyland, and Yee)

March 11, 2010

An act to amend Sections 5020, 5021, 5024, 5076, 5090, 5109, 5120, 5122, 7028.6, 7028.7, 7028.9, 7058.5, 7099.2, 7110, 7210.7, 7316, 7317, 7320.1, 7352, and 7410 of, and to repeal Section 5109.5 of, the Business and Professions Code, to amend Section 11126 of the Government Code, and to amend Sections 7054.6 and 8344 of, and to repeal Section 8340 of, the Health and Safety Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

SB 1491, as introduced, Committee on Business, Professions and Economic Development. Professions and vocations.

(1) Existing law provides for the licensure and regulation of accountants by the California Board of Accountancy. Existing law authorizes the board to appoint an administrative committee to provide advice and assistance relative to investigations of licensee misconduct. Existing law also authorizes the board to create and appoint other advisory committees consisting of public accountants or certified public accountants who need not be members of the board for the purpose of making recommendations to the board.

This bill would designate the administrative committee as the enforcement advisory committee. The bill would require these other advisory committees to consist solely of board members or to consist of board members and other persons who are not board members.

(2) Existing law provides for the licensure and regulation of contractors by the Contractors' State License Board. Existing law, based

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upon complaint or otherwise, authorizes the Registrar of Contractors to issue citations for violations of the licensure requirement within 4 years after the act or omission that is the basis for the citation.

This bill would require a citation to be issued within 4 years after the act or omission that is the basis for the citation or within 18 months after filing the complaint with the registrar, whichever is later.

Existing law prohibits a contractor from engaging in asbestos-related work, as specified, without passing an asbestos certification examination. Existing law requires the board to develop, and deliver to all applicants with the request for bond and fee, a booklet relating to the handling and disposal of asbestos, that includes an open book examination concerning asbestos-related work. Existing law requires all applicants for an initial contractor's license and specified applicants filing a delinquent renewal application to complete and sign the open book examination and to submit it to the board with the required renewal or bond and fee.

This bill would instead require the board to make that booklet available to all applicants, either on the board's Internet Web site or upon request in hard copy. The bill would require only applicants for initial licensure to complete the examination and to submit it to the board, as specified.

Under existing law, a willful or deliberate disregard by a licensed contractor of various state building, labor, and safety laws constitutes a cause for disciplinary action.

This bill would specify that a willful or deliberate disregard of the Subletting and Subcontracting Fair Practices Act also constitutes a cause for disciplinary action.

(3) Existing law establishes within the Department of Consumer Affairs a State Board of Guide Dogs for the Blind that, among others things, licenses and regulates schools and instructors for the training of guide dogs for the blind and the instruction of blind persons in the use of guide dogs.

Under existing law, the board may authorize board-licensed schools or instructors employed by those schools to provide home training, as specified, in the use of guide dogs. Existing law requires schools desiring to provide home training to apply to the board and provide the board with specified information for conducting that home training subject to board approval. Existing law requires these schools to annually provide the board specified information about those persons receiving home training. Existing law also requires, except in cases of undue hardship, the guide dog user to complete a formal in-residence training

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program from a licensed or recognized school as a condition of receiving home training.

This bill would eliminate that approval process and other requirements, including the formal in-residence training program for guide dog users, and would instead authorize schools and instructors licensed by the board to provide home training in the use of guide dogs. The bill would also require instructors to file annual reports with the board regarding persons receiving home training.

(4) Existing law, the Barbering and Cosmetology Act, provides for the licensure and regulation of the practice of barbering and cosmetology by the State Board of Barbering and Cosmetology.

Under existing law, nail care is a specialty branch within the practice of cosmetology and is the practice of, among other things, cutting, trimming, manicuring nails or massaging, cleansing, or beautifying the hands or feet of any person. Existing law permits metal instruments to be used for the cutting, trimming, manicuring, or pedicuring of nails or cuticles.

This bill would specify that nail care is also the practice of pedicuring nails or massaging, cleansing, or beautifying from the elbow to the fingertips or the knees to the toes of any person. The bill would also permit metal instruments to be used for the smoothing and massaging of the hands and feet.

Existing law makes it unlawful for any person to engage in barbering or cosmetology for compensation or to operate an establishment where barbering or cosmetology is practiced without a license and specifies that a violation of this requirement is a misdemeanor.

This bill would instead provide that a violation of that requirement is subject to an administrative fine and may be subject to a misdemeanor.

Existing law requires barbering and cosmetology establishments to provide specified handwashing facilities, including running water, soap, and approved sanitary towels.

This bill would instead require these establishments to provide running water, soap, and towels or air hand dryers.

Existing law authorizes the board to issue a notice of violation or a citation with an administrative fine to persons violating the act. Existing law authorizes these persons to appeal the citation and requires them or their appointed representative to appear in person before the disciplinary review committee.

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This bill would eliminate that appearance requirement and instead authorize these persons or their appointed representative to appear in person before the disciplinary review committee.

(5) Existing law, the Cemetery Act, establishes the Cemetery and Funeral Bureau within the Department of Consumer Affairs and sets forth its powers and duties, including, but not limited to, the registering and regulating of cremated remains disposers.

Existing law authorizes cremated remains to be removed in a durable container from the place of cremation or interment and kept in the dwelling owned or occupied by the person having the right to control disposition of the remains, or kept in a church or religious shrine if certain requirements are met, if the removal is under the authority of a permit for disposition of human remains. Under existing law, these disposition permits are required to include a description of the final place of disposition sufficient to identify the place and are issued by the local registrar. Existing law requires a crematory to maintain a specified identification system and requires that after cremation an identifying disk, tab, or other permanent label be placed within the urn or cremated remains container before the cremated remains are released from the crematory.

This bill would authorize cremated remains to be kept in or on the real property owned or occupied by specified persons with the permission of the person with the right to control disposition of remains. The bill would also authorize a specified amount of cremated remains to be placed in a keepsake urn and kept as authorized by the person or persons with the right to control disposition, provided that a disposition permit is issued by the local registrar for each keepsake urn and a specified permit fee is paid, and would exempt remains in the keepsake urn from those identification system requirements. For all other urns, the bill would require the identifying disk, tab, or other permanent label to contain, among other things, the license number of the crematory. By establishing new duties on the local registrar, the bill would impose a state-mandated local program.

Existing law prohibits a crematory from conducting any business unless there is in the same fireproof building or structure or in a separate fireproof building within the same cemetery a specified columbarium, burial park, or mausoleum.

This bill would delete that prohibition.

(6) The bill would delete various obsolete provisions and make other clarifying and conforming changes.

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(7) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- SECTION 1. Section 5020 of the Business and Professions Code is amended to read:
- 5020. The board may, for the purpose of obtaining technical expertise, appoint an administrative enforcement advisory committee of not more than 13 licensees to provide advice and assistance related to the functions specified in Section 5103. The committee shall act only in an advisory capacity, shall have no authority to initiate any disciplinary action against a licensee, and shall only be authorized to report its findings from any investigation or hearing conducted pursuant to this section to the board, or upon direction of the board, to the executive officer.
 - SEC. 2. Section 5021 of the Business and Professions Code is amended to read:

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- 5021. The members of the administrative enforcement advisory and qualifications committees shall hold office for two years.
- SEC. 3. Section 5024 of the Business and Professions Code is amended to read:
- 5024. The board may create and appoint—other advisory committees, consisting—of public accountants or certified public accountants of this state in good standing solely of board members or consisting of board members and other persons who need are not—be board members—of the board, for the purpose of making recommendations on matters as may be specified by the board.
- SEC. 4. Section 5076 of the Business and Professions Code is amended to read:
- 5076. (a) In order to renew its registration, a firm, as defined in Section 5035.1, shall have a peer review report of its accounting and auditing practice accepted by a board-recognized peer review program no less frequently than every three years.
 - (b) For purposes of this article, the following definitions apply:

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(1) "Peer review" means a study, appraisal, or review conducted in accordance with professional standards of the professional work of a firm, and may include an evaluation of other factors in accordance with the requirements specified by the board in regulations. The peer review report shall be issued by an individual who has a valid and current license, certificate, or permit to practice public accountancy from this state or another state and is unaffiliated with the firm being reviewed, and may include an evaluation of other factors in accordance with requirements specified by the board in regulations.

- (2) "Accounting and auditing practice" includes any services that are performed using professional standards defined by the board in regulations.
- (c) The board shall adopt regulations as necessary to implement, interpret, and make specific the peer review requirements in this section, including, but not limited to, regulations specifying the requirements for board recognition of a peer review program, standards for administering a peer review, extensions of time for fulfilling the peer review requirement, exclusions from the peer review program, and document submission.
- (d) The board shall adopt emergency regulations in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) to establish policies, guidelines, and procedures as outlined in subdivision (c). The adoption of the regulations shall be considered by the Office of Administrative Law to be necessary for the immediate preservation of the public peace, health and safety, or general welfare. The emergency regulations shall be submitted to the Office of Administrative Law for filing with the Secretary of State and publication in the California Code of Regulations, and shall be replaced in accordance with the Administrative Procedure Act.
- (e) Nothing in this section shall prohibit the board from initiating an investigation and imposing discipline against a firm or licensee, either as the result of a complaint that alleges violations of statutes, rules, or regulations, or from information contained in a peer review report received by the board.
- (f) A firm issued a substandard peer review report, as defined by the board in regulation, shall submit a copy of that report to the board. The board shall establish in regulation the time period that

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a firm must submit the report to the board. This period shall not exceed 60 days from the time the report is accepted by a board-recognized peer review program provider to the date the report is submitted to the board.

- (g) (1) A board-recognized peer review program provider shall file a copy with the board of all substandard peer review reports issued to California-licensed firms. The board shall establish in regulation the time period that a board-recognized peer review program provider shall file the report with the board. This period shall not exceed 60 days from the time the report is accepted by a board-recognized peer review program provider to the date the report is filed with the board. These reports may be filed with the board electronically.
- (2) Nothing in this subdivision shall require a board-recognized peer review program provider, when administering peer reviews in another state, to violate the laws of that state.
- (h) The board shall, by January 1, 2010, define a substandard peer review report in regulation.
- (i) Any requirements imposed by a board-recognized peer review program on a firm in conjunction with the completion of a peer review shall be separate from, and in addition to, any action by the board pursuant to this section.
- (j) Any report of a substandard peer review submitted to the board in conjunction with this section shall be collected for investigatory purposes.
- (k) Nothing in this section affects the discovery or admissibility of evidence in a civil or criminal action.
- (*l*) Nothing in this section requires any firm to become a member of any professional organization.
- (m) A peer reviewer shall not disclose information concerning licensees or their clients obtained during a peer review, unless specifically authorized pursuant to this section, Section 5076.1, or regulations prescribed by the board.
- (n) By January 1, 2013, the board shall provide the Legislature and Governor with a report regarding the peer review requirements of this section that includes, without limitation:
- (1) The extent to which mandatory peer review of small firms or sole practitioners that prepare nondisclosure compiled financial statements on an other comprehensive basis of accounting enhances consumer protection.

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(2) The impact of peer review required by this section on small firms and sole practitioners that prepare nondisclosure complied financial statements on an other comprehensive basis of accounting.

- (3) The impact of peer review required by this section on small businesses, nonprofit corporations, and other entities that utilize small firms or sole practitioners for the purposes of nondisclosure compiled financial statements prepared on an other comprehensive basis of accounting.
- (o) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.
- SEC. 5. Section 5090 of the Business and Professions Code is amended to read:
- 5090. (a)—An applicant for the certified public accountant license shall comply with the education, examination, and experience requirements in either Section 5092 or 5093.
- (b) Notwithstanding subdivision (a), an applicant who applied, qualified, and sat for at least two subjects of the examination for the certified public accountant license before May 15, 2002, may complete the examination and qualify for licensure based on the requirements in Sections 5081.1, 5082, 5082.2, 5083, 5084, and applicable regulations adopted by the board that were in effect on December 31, 2001, or comparable examination requirements adopted by the board in the event the form or format of the examination changes, provided the applicant qualifies and applies for licensure before January 1, 2010.
- SEC. 6. Section 5109 of the Business and Professions Code is amended to read:
- 5109. The expiration, cancellation, forfeiture, or suspension of a license, practice, privilege, or other authority to practice public accountancy by operation of law or by order or decision of the board or a court of law, or the voluntary surrender of a license by a licensee shall not deprive the board of jurisdiction to commence or proceed with any investigation of or action or disciplinary proceeding against the licensee, or to render a decision suspending or revoking the license.
- SEC. 7. Section 5109.5 of the Business and Professions Code is repealed.
- 5109.5. The board shall report to the Legislature by September 1, 2003, on problems associated with policing and disciplining

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those accountants who violate Section 5100 or other provisions of this chapter and who are employed by a large public accounting firm. The board shall look critically at their enforcement budget and identify costs of investigation and prosecution of these disciplinary actions and propose ways to cover costs of handling these types of cases.

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SEC. 8. Section 5120 of the Business and Professions Code is amended to read:

5120. Any person who violates Article 3 (commencing with Section 5050) is guilty of a misdemeanor, punishable by imprisonment for not more than six months, or by a fine of not more than one thousand dollars (\$1,000), or both.

Whenever the board has reason to believe that any person is liable to punishment under this article, the board or with its approval the administrative enforcement advisory committee, may certify the facts to the appropriate enforcement officer of the city or county where the alleged violation had taken place and the officer may cause appropriate proceedings to be brought.

SEC. 9. Section 5122 of the Business and Professions Code is amended to read:

5122. Whenever in the judgment of the board, or with its approval the administrative enforcement advisory committee, any person has engaged, or is about to engage, in any acts or practices which that constitute, or will constitute, an offense against this chapter, the board may make application to the appropriate court for an order enjoining the acts or practices, and upon showing by the board that the person has engaged, or is about to engage, in any such acts or practices, an injunction, restraining order, or other order that may be appropriate shall be granted by the court.

SEC. 10. Section 7028.6 of the Business and Professions Code is amended to read:

7028.6. The Registrar of Contractors is hereby empowered to issue citations containing orders of abatement and civil penalties against persons acting in the capacity of or engaging in the business of a contractor within this state without having a license in good standing to so act or engage or a failure to maintain the notice required in Section 7048.

SEC. 11. Section 7028.7 of the Business and Professions Code is amended to read:

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7028.7. (a) If upon inspection or investigation, either upon complaint or otherwise, the registrar has probable cause to believe that a person is acting in the capacity of or engaging in the business of a contractor or salesperson within this state without having a license or registration in good standing to so act or engage, and the person is not otherwise exempted from this chapter, the registrar shall issue a citation to that person.

- (b) Within 72 hours of receiving notice that a public entity is intending to award, or has awarded, a contract to an unlicensed contractor, the registrar shall give written notice to the public entity that a citation may be issued if a contract is awarded to an unlicensed contractor. If after receiving the written notice from the registrar that the public entity has awarded or awards the contract to an unlicensed contractor, the registrar may issue a citation to the responsible officer or employee of the public entity as specified in Section 7028.15.
- (c) Each citation shall be in writing and shall describe with particularity the basis of the citation.—Each Notwithstanding Sections 125.9 and 148, each citation shall contain an order of abatement and an assessment of a civil penalty in an amount not less than two hundred dollars (\$200) nor more than fifteen thousand dollars (\$15,000).
- (d) With the approval of the Contractors' State License Board, the registrar shall prescribe procedures for the issuance of a citation under this section. The Contractors' State License Board board shall adopt regulations covering the assessment of a civil penalty that shall give due consideration to the gravity of the violation, and any history of previous violations.
- (e) The sanctions authorized under this section shall be separate from, and in addition to, all other remedies either civil or criminal.
- SEC. 12. Section 7028.9 of the Business and Professions Code is amended to read:
- 7028.9. A citation under Section 7028.7 shall be issued by the registrar within four years after the act or omission that is the basis for the citation *or within 18 months after the date of the filing of the complaint with the registrar, whichever is later.*
- SEC. 13. Section 7058.5 of the Business and Professions Code is amended to read:
- 7058.5. (a) No contractor shall engage in asbestos-related work, as defined in Section 6501.8 of the Labor Code, which that

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involves 100 square feet or more of surface area of asbestos containing materials, unless the qualifier for the license passes an asbestos certification examination. Additional updated asbestos certification examinations may be required based on new health and safety information. The decision on whether to require an updated certification examination shall be made by the Contractors' State License Board, in consultation with the Division of Occupational Safety and Health in the Department of Industrial Relations and the State Department of Health Services Division of Environmental and Occupational Disease Control in the State Department of Public Health.

No asbestos certification examination shall be required for contractors involved with the installation, maintenance, and repair of asbestos cement pipe or sheets, vinyl asbestos floor materials, or asbestos bituminous or resinous materials.

"Asbestos," as used in this section, has the same meaning as defined in Section 6501.7 of the Labor Code.

- (b) The Contractors' State License Board shall-develop, and deliver make available to all applicants-with the request for bond and fee, either on the board's Internet Web site or, if requested, in hard copy, a booklet containing information relative to handling and disposal of asbestos, together with an open book examination concerning asbestos-related work. All applicants for an initial contractor's license and all applicants filling a delinquent renewal application who have not previously completed the open book examination and, prior to the issuance of a contractor's license, submit it to the Contractors' State License Board with the required renewal or bond and fee board electronically or by mail if the applicant elects to use the hard-copy format.
- SEC. 14. Section 7099.2 of the Business and Professions Code is amended to read:
 - 7099.2. (a) The board shall promulgate regulations covering the assessment of civil penalties under this article which that give due consideration to the appropriateness of the penalty with respect to the following factors:
 - (1) The gravity of the violation.

- 38 (2) The good faith of the licensee or applicant for licensure being charged.
 - (3) The history of previous violations.

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(b) Except as otherwise provided by this chapter, no civil penalty shall be assessed in an amount greater than five thousand dollars (\$5,000). A *Notwithstanding Section 125.9*, *a* civil penalty not to exceed fifteen thousand dollars (\$15,000) may be assessed for a violation of Section 7114 or 7118.

- SEC. 15. Section 7110 of the Business and Professions Code is amended to read:
- 7110. Willful or deliberate disregard and violation of the building laws of the state, or of any political subdivision thereof, or of Section 8505 8550 or 8556 of this code, or of Sections 1689.5 to 1689.8, inclusive, or Sections 1689.10 to 1689.13 1689.15, inclusive, of the Civil Code, or of the safety laws or labor laws or compensation insurance laws or Unemployment Insurance Code of the state, or of the Subletting and Subcontracting Fair Practices Act (Chapter 4 (commencing with Section 4100) of Part 1 of Division 2 of the Public Contract Code), or violation by any licensee of any provision of the Health and Safety Code or Water Code, relating to the digging, boring, or drilling of water wells, or Article 2 (commencing with Section 4216) of Chapter 3.1 of Division 5 of Title 1 of the Government Code, constitutes a cause for disciplinary action.
 - SEC. 16. Section 7210.7 of the Business and Professions Code is amended to read:
 - 7210.7. The board may authorize schools licensed by the board or instructors employed by those schools to provide home training in the use of guide dogs.

If a school desires to provide home training in the use of guide dogs, it shall apply to the board and provide the board with a written plan and procedure for conducting that home training, which shall be approved by the board prior to conducting any home training.

7210.7. Schools and instructors licensed by the board may provide home training in the use of guide dogs.

Schools *and instructors* providing home training in the use of guide dogs shall, annually, provide the board with the names and addresses of those persons who are receiving home training and shall include those persons who have received home training from the school *or instructor* subsequent to the last report filed with the board.

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The guide dog user, as a condition of receiving home training, shall have completed a formal in-residence training program from a school licensed by the board to provide guide dog training, or from a school recognized by another state to provide guide dog training.

The requirement for a formal in-residence training program from a school licensed by the board may be waived by the school when that requirement imposes an undue hardship on the guide dog user.

Home training, as provided in this section, shall consist of not less than 20 hours of training.

This section shall only apply to those schools that are licensed by the board to furnish guide dogs and to train persons to use guide dogs, who desire to provide home training in the use of guide dogs, and who apply to the board for approval to provide that home training.

- SEC. 17. Section 7316 of the Business and Professions Code is amended to read:
- 7316. (a) The practice of barbering is all or any combination of the following practices:
 - (1) Shaving or trimming the beard or cutting the hair.
- (2) Giving facial and scalp massages or treatments with oils, creams, lotions, or other preparations either by hand or mechanical appliances.
- (3) Singeing, shampooing, arranging, dressing, curling, waving, chemical waving, hair relaxing, or dyeing the hair or applying hair tonics.
- (4) Applying cosmetic preparations, antiseptics, powders, oils, clays, or lotions to scalp, face, or neck.
- (5) Hairstyling of all textures of hair by standard methods that are current at the time of the hairstyling.
- (b) The practice of cosmetology is all or any combination of the following practices:
- (1) Arranging, dressing, curling, waving, machineless permanent waving, permanent waving, cleansing, cutting, shampooing, relaxing, singeing, bleaching, tinting, coloring, straightening, dyeing, applying hair tonics to, beautifying, or otherwise treating by any means, the hair of any person.
- 38 (2) Massaging, cleaning, or stimulating the scalp, face, neck, arms, or upper part of the human body, by means of the hands,

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devices, apparatus or appliances, with or without the use of cosmetic preparations, antiseptics, tonics, lotions, or creams.

- (3) Beautifying the face, neck, arms, or upper part of the human body, by use of cosmetic preparations, antiseptics, tonics, lotions, or creams.
- (4) Removing superfluous hair from the body of any person by the use of depilatories or by the use of tweezers, chemicals, or preparations or by the use of devices or appliances of any kind or description, except by the use of light waves, commonly known as rays.
- (5) Cutting, trimming, polishing, tinting, coloring, cleansing, or manicuring the nails of any person.
- (6) Massaging, cleansing, treating, or beautifying the hands or feet of any person.
- (c) Within the practice of cosmetology there exist the specialty branches of skin care and nail care.
 - (1) Skin care is any one or more of the following practices:
- (A) Giving facials, applying makeup, giving skin care, removing superfluous hair from the body of any person by the use of depilatories, tweezers or waxing, or applying eyelashes to any person.
- (B) Beautifying the face, neck, arms, or upper part of the human body, by use of cosmetic preparations, antiseptics, tonics, lotions, or creams.
- (C) Massaging, cleaning, or stimulating the face, neck, arms, or upper part of the human body, by means of the hands, devices, apparatus, or appliances, with the use of cosmetic preparations, antiseptics, tonics, lotions, or creams.
- (2) Nail care is the practice of cutting, trimming, polishing, coloring, tinting, cleansing, or manicuring, or pedicuring the nails of any person or massaging, cleansing, or beautifying the hands or feet from the elbow to the fingertips or the knee to the toes of any person.
- (d) The practice of barbering and the practice of cosmetology do not include any of the following:
 - (1) The mere sale, fitting, or styling of wigs or hairpieces.
- (2) Natural hair braiding. Natural hair braiding is a service that results in tension on hair strands or roots by twisting, wrapping, weaving, extending, locking, or braiding by hand or mechanical device, provided that the service does not include haircutting or

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the application of dyes, reactive chemicals, or other preparations to alter the color of the hair or to straighten, curl, or alter the structure of the hair.

- (3) Threading. Threading is a technique that results in removing hair by twisting thread around unwanted hair and pulling it from the skin and the incidental trimming of eyebrow hair.
- (e) Notwithstanding paragraph (2) of subdivision (d), a person who engages in natural hairstyling, which is defined as the provision of natural hair braiding services together with any of the services or procedures defined within the regulated practices of barbering or cosmetology, is subject to regulation pursuant to this chapter and shall obtain and maintain a barbering or cosmetology license as applicable to the services respectively offered or performed.
- (f) Electrolysis is the practice of removing hair from, or destroying hair on, the human body by the use of an electric needle only.

"Electrolysis" as used in this chapter includes electrolysis or thermolysis.

- SEC. 18. Section 7317 of the Business and Professions Code is amended to read:
- 7317. Except as provided in this article, it is unlawful for any person, firm, or corporation to engage in barbering, cosmetology, or electrolysis for compensation without a valid, unexpired license issued by the board, or in an establishment or mobile unit other than one licensed by the board, or conduct or operate an establishment, or any other place of business in which barbering, cosmetology, or electrolysis is practiced unless licensed under this chapter. Persons licensed under this chapter shall limit their practice and services rendered to the public to only those areas for which they are licensed. Any violation of this section is *subject to an administrative fine and may be subject to* a misdemeanor.
- SEC. 19. Section 7320.1 of the Business and Professions Code is amended to read:
- 7320.1. When providing a manicure or pedicure, no metal instruments shall be used except those metal instruments necessary for the cutting, trimming, manicuring, or pedicuring of nails or cuticles or for the smoothing and massaging of the hands and feet.
- 39 SEC. 20. Section 7352 of the Business and Professions Code 40 is amended to read:

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7352. Every establishment shall provide adequate and convenient handwashing facilities, including running water, soap, and approved sanitary towels *or air hand dryers*.

- SEC. 21. Section 7410 of the Business and Professions Code is amended to read:
- 7410. Persons to whom a notice of violation or a citation is issued and an administrative fine assessed may appeal the citation to a disciplinary review committee established by the board. All appeals shall be submitted in writing to the program within 30 days of the date the citation was issued. Appeals of citations that are not submitted in a timely manner shall be rejected.

After a timely appeal has been filed with the program, the administrative fine, if any, shall be stayed until the appeal has been adjudicated.

Persons appealing a citation, or their appointed representatives, shall may appear in person before the disciplinary review committee. The appellant may present written or oral evidence relating to the facts and circumstances relating to the citation that was issued. Following an appeal-before to a disciplinary review committee, the disciplinary review committee shall issue a decision, based on findings of fact, which may affirm, reduce, dismiss, or alter any charges filed in the citation. In no event shall the administrative fine be increased. The appellant shall be provided with a written copy of the disciplinary review committee's decision relating to the appeal.

SEC. 22. Section 11126 of the Government Code is amended to read:

- 11126. (a) (1) Nothing in this article shall be construed to prevent a state body from holding closed sessions during a regular or special meeting to consider the appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee unless the employee requests a public hearing.
- (2) As a condition to holding a closed session on the complaints or charges to consider disciplinary action or to consider dismissal, the employee shall be given written notice of his or her right to have a public hearing, rather than a closed session, and that notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding a regular or special meeting.

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If notice is not given, any disciplinary or other action taken against any employee at the closed session shall be null and void.

- (3) The state body also may exclude from any public or closed session, during the examination of a witness, any or all other witnesses in the matter being investigated by the state body.
- (4) Following the public hearing or closed session, the body may deliberate on the decision to be reached in a closed session.
- (b) For the purposes of this section, "employee" does not include any person who is elected to, or appointed to a public office by, any state body. However, officers of the California State University who receive compensation for their services, other than per diem and ordinary and necessary expenses, shall, when engaged in that capacity, be considered employees. Furthermore, for purposes of this section, the term employee includes a person exempt from civil service pursuant to subdivision (e) of Section 4 of Article VII of the California Constitution.
- (c) Nothing in this article shall be construed to do any of the following:
- (1) Prevent state bodies that administer the licensing of persons engaging in businesses or professions from holding closed sessions to prepare, approve, grade, or administer examinations.
- (2) Prevent an advisory body of a state body that administers the licensing of persons engaged in businesses or professions from conducting a closed session to discuss matters that the advisory body has found would constitute an unwarranted invasion of the privacy of an individual licensee or applicant if discussed in an open meeting, provided the advisory body does not include a quorum of the members of the state body it advises. Those matters may include review of an applicant's qualifications for licensure and an inquiry specifically related to the state body's enforcement program concerning an individual licensee or applicant where the inquiry occurs prior to the filing of a civil, criminal, or administrative disciplinary action against the licensee or applicant by the state body.
- (3) Prohibit a state body from holding a closed session to deliberate on a decision to be reached in a proceeding required to be conducted pursuant to Chapter 5 (commencing with Section 11500) or similar provisions of law.
- (4) Grant a right to enter any correctional institution or the grounds of a correctional institution where that right is not

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otherwise granted by law, nor shall anything in this article be construed to prevent a state body from holding a closed session when considering and acting upon the determination of a term, parole, or release of any individual or other disposition of an individual case, or if public disclosure of the subjects under discussion or consideration is expressly prohibited by statute.

- (5) Prevent any closed session to consider the conferring of honorary degrees, or gifts, donations, and bequests that the donor or proposed donor has requested in writing to be kept confidential.
- (6) Prevent the Alcoholic Beverage Control Appeals Board from holding a closed session for the purpose of holding a deliberative conference as provided in Section 11125.
- (7) (A) Prevent a state body from holding closed sessions with its negotiator prior to the purchase, sale, exchange, or lease of real property by or for the state body to give instructions to its negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease.
- (B) However, prior to the closed session, the state body shall hold an open and public session in which it identifies the real property or real properties that the negotiations may concern and the person or persons with whom its negotiator may negotiate.
- (C) For purposes of this paragraph, the negotiator may be a member of the state body.
- (D) For purposes of this paragraph, "lease" includes renewal or renegotiation of a lease.
- (E) Nothing in this paragraph shall preclude a state body from holding a closed session for discussions regarding eminent domain proceedings pursuant to subdivision (e).
- (8) Prevent the California Postsecondary Education Commission from holding closed sessions to consider matters pertaining to the appointment or termination of the Director of the California Postsecondary Education Commission.
- (9) Prevent the Council for Private Postsecondary and Vocational Education from holding closed sessions to consider matters pertaining to the appointment or termination of the Executive Director of the Council for Private Postsecondary and Vocational Education.
- (10) Prevent the Franchise Tax Board from holding closed sessions for the purpose of discussion of confidential tax returns or information the public disclosure of which is prohibited by law,

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or from considering matters pertaining to the appointment or removal of the Executive Officer of the Franchise Tax Board.

- (11) Require the Franchise Tax Board to notice or disclose any confidential tax information considered in closed sessions, or documents executed in connection therewith, the public disclosure of which is prohibited pursuant to Article 2 (commencing with Section 19542) of Chapter 7 of Part 10.2 of Division 2 of the Revenue and Taxation Code.
- (12) Prevent the Corrections Standards Authority from holding closed sessions when considering reports of crime conditions under Section 6027 of the Penal Code.
- (13) Prevent the State Air Resources Board from holding closed sessions when considering the proprietary specifications and performance data of manufacturers.
- (14) Prevent the State Board of Education or the Superintendent of Public Instruction, or any committee advising the board or the Superintendent, from holding closed sessions on those portions of its review of assessment instruments pursuant to Chapter 5 (commencing with Section 60600) of, or pursuant to Chapter 9 (commencing with Section 60850) of, Part 33 of Division 4 of Title 2 of the Education Code during which actual test content is reviewed and discussed. The purpose of this provision is to maintain the confidentiality of the assessments under review.
- (15) Prevent the California Integrated Waste Management Board or its auxiliary committees from holding closed sessions for the purpose of discussing confidential tax returns, discussing trade secrets or confidential or proprietary information in its possession, or discussing other data, the public disclosure of which is prohibited by law.
- (16) Prevent a state body that invests retirement, pension, or endowment funds from holding closed sessions when considering investment decisions. For purposes of consideration of shareholder voting on corporate stocks held by the state body, closed sessions for the purposes of voting may be held only with respect to election of corporate directors, election of independent auditors, and other financial issues that could have a material effect on the net income of the corporation. For the purpose of real property investment decisions that may be considered in a closed session pursuant to this paragraph, a state body shall also be exempt from the

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provisions of paragraph (7) relating to the identification of real properties prior to the closed session.

- (17) Prevent a state body, or boards, commissions, administrative officers, or other representatives that may properly be designated by law or by a state body, from holding closed sessions with its representatives in discharging its responsibilities under Chapter 10 (commencing with Section 3500), Chapter 10.3 (commencing with Section 3512), Chapter 10.5 (commencing with Section 3525), or Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 as the sessions relate to salaries, salary schedules, or compensation paid in the form of fringe benefits. For the purposes enumerated in the preceding sentence, a state body may also meet with a state conciliator who has intervened in the proceedings.
- (18) (A) Prevent a state body from holding closed sessions to consider matters posing a threat or potential threat of criminal or terrorist activity against the personnel, property, buildings, facilities, or equipment, including electronic data, owned, leased, or controlled by the state body, where disclosure of these considerations could compromise or impede the safety or security of the personnel, property, buildings, facilities, or equipment, including electronic data, owned, leased, or controlled by the state body.
- (B) Notwithstanding any other provision of law, a state body, at any regular or special meeting, may meet in a closed session pursuant to subparagraph (A) upon a two-thirds vote of the members present at the meeting.
- (C) After meeting in closed session pursuant to subparagraph (A), the state body shall reconvene in open session prior to adjournment and report that a closed session was held pursuant to subparagraph (A), the general nature of the matters considered, and whether any action was taken in closed session.
- (D) After meeting in closed session pursuant to subparagraph (A), the state body shall submit to the Legislative Analyst written notification stating that it held this closed session, the general reason or reasons for the closed session, the general nature of the matters considered, and whether any action was taken in closed session. The Legislative Analyst shall retain for no less than four years any written notification received from a state body pursuant to this subparagraph.

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(d) (1) Notwithstanding any other provision of law, any meeting of the Public Utilities Commission at which the rates of entities under the commission's jurisdiction are changed shall be open and public.

- (2) Nothing in this article shall be construed to prevent the Public Utilities Commission from holding closed sessions to deliberate on the institution of proceedings, or disciplinary actions against any person or entity under the jurisdiction of the commission.
- (e) (1) Nothing in this article shall be construed to prevent a state body, based on the advice of its legal counsel, from holding a closed session to confer with, or receive advice from, its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the state body in the litigation.
- (2) For purposes of this article, all expressions of the lawyer-client privilege other than those provided in this subdivision are hereby abrogated. This subdivision is the exclusive expression of the lawyer-client privilege for purposes of conducting closed session meetings pursuant to this article. For purposes of this subdivision, litigation shall be considered pending when any of the following circumstances exist:
- (A) An adjudicatory proceeding before a court, an administrative body exercising its adjudicatory authority, a hearing officer, or an arbitrator, to which the state body is a party, has been initiated formally.
- (B) (i) A point has been reached where, in the opinion of the state body on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the state body.
- (ii) Based on existing facts and circumstances, the state body is meeting only to decide whether a closed session is authorized pursuant to clause (i).
- (C) (i) Based on existing facts and circumstances, the state body has decided to initiate or is deciding whether to initiate litigation.
- (ii) The legal counsel of the state body shall prepare and submit to it a memorandum stating the specific reasons and legal authority for the closed session. If the closed session is pursuant to paragraph (1), the memorandum shall include the title of the litigation. If the

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1 closed session is pursuant to subparagraph (A) or (B), the 2 memorandum shall include the existing facts and circumstances 3 on which it is based. The legal counsel shall submit the 4 memorandum to the state body prior to the closed session, if 5 feasible, and in any case no later than one week after the closed 6 session. The memorandum shall be exempt from disclosure 7 pursuant to Section 6254.25.

- (iii) For purposes of this subdivision, "litigation" includes any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator.
- (iv) Disclosure of a memorandum required under this subdivision shall not be deemed as a waiver of the lawyer-client privilege, as provided for under Article 3 (commencing with Section 950) of Chapter 4 of Division 8 of the Evidence Code.
- (f) In addition to subdivisions (a), (b), and (c), nothing in this article shall be construed to do any of the following:
- (1) Prevent a state body operating under a joint powers agreement for insurance pooling from holding a closed session to discuss a claim for the payment of tort liability or public liability losses incurred by the state body or any member agency under the joint powers agreement.
- (2) Prevent the examining committee established by the State Board of Forestry and Fire Protection, pursuant to Section 763 of the Public Resources Code, from conducting a closed session to consider disciplinary action against an individual professional forester prior to the filing of an accusation against the forester pursuant to Section 11503.
- (3) Prevent—an administrative the enforcement advisory committee established by the California Board of Accountancy pursuant to Section 5020 of the Business and Professions Code from conducting a closed session to consider disciplinary action against an individual accountant prior to the filing of an accusation against the accountant pursuant to Section 11503. Nothing in this article shall be construed to prevent—an examining the qualifications committee established by the California Board of Accountancy pursuant to Section 5023 of the Business and Professions Code from conducting a closed hearing to interview an individual applicant or accountant regarding the applicant's qualifications.

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(4) Prevent a state body, as defined in subdivision (b) of Section 11121, from conducting a closed session to consider any matter that properly could be considered in closed session by the state body whose authority it exercises.

- (5) Prevent a state body, as defined in subdivision (d) of Section 11121, from conducting a closed session to consider any matter that properly could be considered in a closed session by the body defined as a state body pursuant to subdivision (a) or (b) of Section 11121.
- (6) Prevent a state body, as defined in subdivision (c) of Section 11121, from conducting a closed session to consider any matter that properly could be considered in a closed session by the state body it advises.
- (7) Prevent the State Board of Equalization from holding closed sessions for either of the following:
- (A) When considering matters pertaining to the appointment or removal of the Executive Secretary of the State Board of Equalization.
- (B) For the purpose of hearing confidential taxpayer appeals or data, the public disclosure of which is prohibited by law.
- (8) Require the State Board of Equalization to disclose any action taken in closed session or documents executed in connection with that action, the public disclosure of which is prohibited by law pursuant to Sections 15619 and 15641 of this code and Sections 833, 7056, 8255, 9255, 11655, 30455, 32455, 38705, 38706, 43651, 45982, 46751, 50159, 55381, and 60609 of the Revenue and Taxation Code.
- (9) Prevent the California Earthquake Prediction Evaluation Council, or other body appointed to advise the Director of the Office of Emergency Services or the Governor concerning matters relating to volcanic or earthquake predictions, from holding closed sessions when considering the evaluation of possible predictions.
 - (g) This article does not prevent either of the following:
- (1) The Teachers' Retirement Board or the Board of Administration of the Public Employees' Retirement System from holding closed sessions when considering matters pertaining to the recruitment, appointment, employment, or removal of the chief executive officer or when considering matters pertaining to the recruitment or removal of the Chief Investment Officer of the State

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Teachers' Retirement System or the Public Employees' Retirement
 System.
 The Commission on Teacher Credentialing from holding

- (2) The Commission on Teacher Credentialing from holding closed sessions when considering matters relating to the recruitment, appointment, or removal of its executive director.
- (h) This article does not prevent the Board of Administration of the Public Employees' Retirement System from holding closed sessions when considering matters relating to the development of rates and competitive strategy for plans offered pursuant to Chapter 15 (commencing with Section 21660) of Part 3 of Division 5 of Title 2.
- (i) This article does not prevent the Managed Risk Medical Insurance Board from holding closed sessions when considering matters related to the development of rates and contracting strategy for entities contracting or seeking to contract with the board pursuant to Part 6.2 (commencing with Section 12693), Part 6.3 (commencing with Section 12699.50), or Part 6.5 (commencing with Section 12700) of Division 2 of the Insurance Code.
- (j) Nothing in this article shall be construed to prevent the board of the State Compensation Insurance Fund from holding closed sessions in the following:
- (1) When considering matters related to claims pursuant to Chapter 1 (commencing with Section 3200) of Division 4 of the Labor Code, to the extent that confidential medical information or other individually identifiable information would be disclosed.
- (2) To the extent that matters related to audits and investigations that have not been completed would be disclosed.
- (3) To the extent that an internal audit containing proprietary information would be disclosed.
- (4) To the extent that the session would address the development of rates, contracting strategy, underwriting, or competitive strategy, pursuant to the powers granted to the board in Chapter 4 (commencing with Section 11770) of Part 3 of Division 2 of the Insurance Code, when discussion in open session concerning those matters would prejudice the position of the State Compensation Insurance Fund.
- (k) The State Compensation Insurance Fund shall comply with the procedures specified in Section 11125.4 of the Government Code with respect to any closed session or meeting authorized by

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subdivision (j), and in addition shall provide an opportunity for a member of the public to be heard on the issue of the appropriateness of closing the meeting or session.

- SEC. 23. Section 7054.6 of the Health and Safety Code is amended to read:
- 7054.6. (a) Cremated Except as provided in subdivision (b), cremated remains may be removed in a durable container from the place of cremation or interment and kept in or on the dwelling real property owned or occupied by the person having the right to control disposition of the remains under a person described in Section 7100, with the permission of the person with the right to disposition, or the durable container holding the cremated remains may be kept in a church or religious shrine, if written permission of the church or religious shrine is obtained and there is no conflict with local use permit requirements or zoning laws, if the removal is under the authority of a permit for disposition granted under Section 103060. The placement, in any place, of six or more cremated remains under this section does not constitute the place a cemetery, as defined in Section 7003.
- (b) Notwithstanding any other provision of law, cremated remains may be placed in one or more keepsake urns, in an amount not to exceed one cubic centimeter for each keepsake urn. Keepsake urns shall be kept as authorized by the person or persons with the right to control disposition pursuant to Section 7100, provided that a permit for disposition of human remains pursuant to Section 103060 is issued by the local registrar for each keepsake urn designating the home address of each person receiving a keepsake urn and a permit fee pursuant to Section 103065 is paid. No keepsake urn shall be subject to Section 8345.

30 (b)

- (c) Prior to disposition of cremated remains, every licensee or registrant pursuant to Chapter 12 (commencing with Section 7600) or Chapter 19 (commencing with Section 9600) of Division 3 of the Business and Professions Code, and the agents and employees of the licensee or registrant shall do all of the following:
- 36 (1) Remove the cremated remains from the place of cremation in a durable container.
 - (2) Keep the cremated remains in a durable container.
 - (3) Store the cremated remains in a place free from exposure to the elements.

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(4) Responsibly maintain the cremated remains.

SEC. 24. Section 8340 of the Health and Safety Code is repealed.

8340. No crematory shall conduct, or shall hereafter be constructed, established, or authorized to conduct, any business unless there is in connection therewith in the same fireproof building or structure or in a separate fireproof building within the same cemetery, either:

A columbarium, a burial park or mausoleum amply equipped at all times for the interment of remains of bodies cremated at the erematory.

SEC. 25. Section 8344 of the Health and Safety Code is amended to read:

8344. A crematory shall maintain an identification system allowing identification of each decedent beginning from the time the crematory accepts delivery of human remains until the point at which it releases the cremated remains to a third party. After cremation, an identifying disk, tab, or other permanent label shall be placed within the urn or cremated remains container before the cremated remains are released from the crematory. Each identification disk, tab, or label shall contain the license number of the crematory and shall have a unique number that shall be recorded on all paperwork regarding the decedent's case and in the crematory log. Each crematory shall maintain a written procedure for identification of remains. These identification requirements shall not apply to cremated remains placed in a keepsake urn pursuant to subdivision (b) of Section 7054.6 if space does not permit.

On or after March 1, 1994, any crematory that fails, when requested by an official of the bureau to produce a written procedure for identification of remains, shall have 15 working days from the time of the request to produce an identification procedure for review by the chief of the Cemetery and Funeral Bureau. The license of the crematory shall be suspended pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, if no identification procedure is produced for review after 15 working days have elapsed.

SEC. 26. No reimbursement is required by this act pursuant to 40 Section 6 of Article XIIIB of the California Constitution because **— 27** — SB 1491

- a local agency or school district has the authority to levy service
- charges, fees, or assessments sufficient to pay for the program or
 level of service mandated by this act, within the meaning of Section
- 17556 of the Government Code.